# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



### FISCAL MEMORANDUM

SB 2077 - HB 2246

March 14, 2022

SUMMARY OF BILL AS AMENDED (015738): Prohibits a political subdivision from restricting, prohibiting, or otherwise impairing the development and implementation of the types or sources of energy that may be used, delivered, converted, or supplied by specified entities. Voids local action if such action is, or acts as: a de facto prohibition of the siting, or a restriction, prohibition, or impairment of construction, expansion, or maintenance, of energy, industrial or related transportation infrastructure; regulation or enforcement of safety standards for pipeline facilities or pipeline transportation; a moratorium, or a categorical prohibition, of the siting, construction, expansion, or maintenance of energy, industrial, or related transportation infrastructure; or a prohibition or restriction on the ability of a distributor, retailer, wholesaler, or other energy or industrial infrastructure entity to exercise its rights related to the siting of energy infrastructure or related industrial infrastructure.

#### ESTIMATED FISCAL IMPACT OF BILL AS AMENDED:

Other Fiscal Impact – Such prohibition on restrictions and fees may result in a decrease in local fee revenue or foregone local fee revenue. An increase in state and local tax revenue may occur. Due to multiple unknown factors, the precise impact, if any cannot be determined with reasonable certainty.

Assumptions for the bill as amended:

- The proposed legislation does not apply to facilities that work with solar energy and does not affect the jurisdiction of a governmental entity charged with the oversight of public or electric utilities.
- Prohibiting local governments from imposing certain fees may result in a decrease in local revenue or foregone local revenue.
- An increase in various state and local taxes could result due to increased production, business activity, and sales; however, such impact, if any is dependent on multiple unknown factors and cannot be reasonably determined.
- Due to multiple unknown factors, any such impact cannot be quantified with reasonable certainty.

#### **IMPACT TO COMMERCE:**

Other Commerce Impact – Due to multiple unknown variables, any impact on commerce or jobs in this state cannot be quantified with reasonable certainty.

Assumption for the bill as amended:

• Due to multiple unknown variables, any impact on commerce or jobs in this state cannot be quantified with reasonable certainty.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner, Executive Director

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